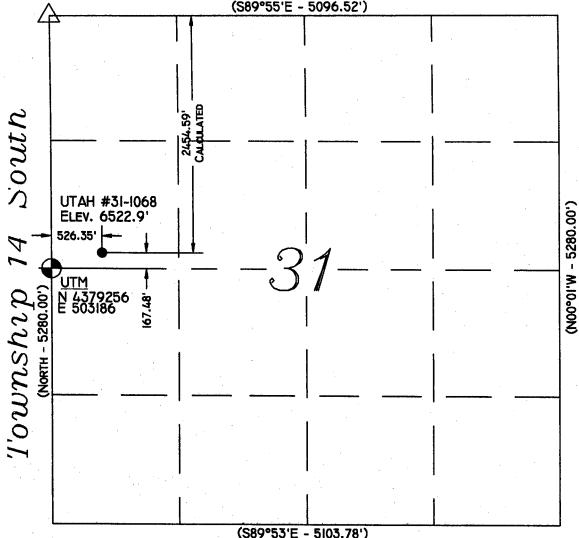
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	

	APPLICATION FOR PERMIT TO DRILL							ML 48233	State	
1A. TYPE OF WO	RK: I	DRILL 🔽	REENTER [] [DEEPEN				7. IF INDIAN, ALLOTTEE OF N/A	R TRIBE NAME:
B. TYPE OF WE	LL: OIL	GAS 🗹 (OTHER		SIN	GLE ZONE	MULTIPLE	ZONE 🗌	8. UNIT OF CA AGREEMENT Drunkards Wash	UTU67921X
2. NAME OF OPE ConocoPhi		pany							9. WELL NAME and NUMBE Utah 31-1068	
3. ADDRESS OF P.O. Box 5		_{CITY} Midlar	ıd st	_{ATE} Tx	ZIP 79 7	710	PHONE NUMBER: (432) 688-6		10. FIELD AND POOL, OR Drunkards Wash	
4. LOCATION OF	WELL (FOOTAG		503195				l/la		11. QTR/QTR, SECTION, TO MERIDIAN:	OWNSHIP, RANGE,
	2455 FNL PRODUCING Z	_ & 526 FWL ONE:	43792		4.00). 96 280	F	SWNW 31 14	IS 9E
14. DISTANCE IN	MILES AND DIF	RECTION FROM NEAR	REST TOWN OR P	OST OFFI	CE:				12. COUNTY:	13. STATE: UTAH
8.3 miles	west of Pi	rice, Utah							Carbon	
15. DISTANCE TO 526'	NEAREST PRO	OPERTY OR LEASE L	INE (FEET)	16	. NUMBER OF	FACRES IN LEA	.se: 59 5	- 1	NUMBER OF ACRES ASSIGNE	D TO THIS WELL:
18. DISTANCE TO	O NEAREST WE R) ON THIS LEAS	LL (DRILLING, COMP	LETED, OR	19	. PROPOSED	DEPTH:		20. E	BOND DESCRIPTION:	
1350'									statewide	
21. ELEVATIONS 6522.9' G	•	HER DF, RT, GR, ETC	.):	l l	6/1/2009	ATE DATE WOR	K WILL START:	1	ESTIMATED DURATION: 0 days	
24.			PROPO	SED C	ASING A	ND CEMEN	ITING PROGR	L PAM		
SIZE OF HOLE	CASING SIZE	E, GRADE, AND WEIG			NG DEPTH				Y, YIELD, AND SLURRY WEIGH	
15"	12 3/4	Conduct			40					
11	8 5/8	J55	24#		, 400	170 sxs (3 + 2% CaCl	1.18 c	u.ft./sk 15.6 pp	og
7 7/8	5 1/2	N80	17#	350	2,490	110sxs 5	0/50Poz+8%	gel+29	%CaCl +10%exter	nd 1/4ppsD29
-						290 sxs (3 thixotropic	•.		
								,		
			w							
25.					ATTA	CHMENTS				
VERIFY THE FOL	LOWING ARE A	TTACHED IN ACCOR	DANCE WITH THE	E UTAH OI	L AND GAS C	ONSERVATION	GENERAL RULES:		·	
WELL PL	AT OR MAP PRI	EPARED BY LICENSE	D SURVEYOR OR	ENGINEE	R		OMPLETE DRILLING	PLAN		
EVIDENC	CE OF DIVISION	OF WATER RIGHTS	APPROVAL FOR L	JSE OF W	ATER	FC	ORM 5, IF OPERATOR	R IS PERSON	OR COMPANY OTHER THAN	THE LEASE OWNER
NAME (PLEASE	_{PRINT)} Donr	na Williams				TITL	E Sr. Regula	atory Spe	ecialist	
SIGNATURE		au-)	,		DAT	3/19/2009	<u>.</u> .		
(This space for Sta	ite use only)	300 V.			Utah	oved by	n of	RE	CEIVED	
API NUMBER AS	SIGNED:	43.00731	486		OII, Ga	as and M APPROVA	•	MA	R 2 3 2009	
(11/2001)		-		Da	te: <u>O</u> L (See Instruction	-15-C	ide	DIV. OF O	OIL, GAS & MINING	

Range 9 East (S89°55'E - 5096.52')



Leaend

Drill Hole Location

Metal Cap (Found)

Brass Cap (Searched for, but not found)

Calculated Corner

GLO

GPS Measured

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

AT / LONG 39°33'53.553"N 110°57'46.479"W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:
The Basis of Bearing is GPS Measured.

GLO Bearing:
The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:
Basis of Elevation of 6847' being at the Northeast Section
Corner of Section 14, Township 15 South, Range 8 East,
Salt Lake Base and Meridian, as shown on the Pinnacle Peak
Quadrangle 7.5 minute series map.

Description of Location:
Proposed Drill Hole located in the SW/4 NW/4 of Section 31, T14S, R9E, S.L.B.&M., being 167.48' North and 526.35' East from the West Quarter Corner of Section 31, T14S, R9E. Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.





Hustlegton, Utah \$4528 Phone (435)687-5310 Fax (435)687-5311



Conoco Phillips Company

WELL UTAH #31-1068 Section 31, T14S, R9E, S.L.B.&M.

Carbon County, Utah

N. BUTKÖVICH	Checked By: L.W.J./A.J.S.			
Drawing No.	Bate: 1/23/06			
A-/	Scale: 1" = 1000'			
Sheet 1 of 4	Job No. 2114			



(IN FEET) 1 inch = 1000 ft.

EXHIBIT "D" DRILLING PROGRAM

Attached to Form 3
ConocoPhillips Company
Utah 31-1068
SW/4, NW/4, Sec.31, T14S, R9E, SLB & M
2455' FNL, 526' FWL
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 2948'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 2964' - 3132'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits.

All indications of usable water will be reported.

Surface casing will be tested to 500 psi and Production casing tested to 1500 psi with a minimum of 1 psi/ft of the last casing string depth

4. The Proposed Casing and Cementing Programs

Hole Size	Casing Size	Wt/Ft	Grade	Joint	Depth set
14 3/4"	12 3/4"	40.5	H-40	ST&C	0-50'
11"	8 5/8"	24.0	J-55	ST&C	0-400'
7 7/8"	5 1/2"	17.0	N-80	LT&C	0-3504

Cementing Program

The 8 5/8" surface casing will be set with approximately 170 sacks Class G or Type V cement with 2% CaCl₂ mixed at 15.6 ppg (yield =1.18 ft³/sx). The cement will be circulated back to surface with 100% excess.

The 5 ½" production casing will be set and cemented using a two stage cementing process. This entails setting casing to total TD and running a DV tool to approximately 300' of the top of the Ferron.

The 1st Stage of cement will then be pumped to approximately 50' from the DV tool. After cement is pumped, the cement cap will be removed and a wiper plug installed. The cement cap will then be screwed back on and a wiper plug will be displaced to TD. The cement cap will be removed and the DV tool bomb will be dropped followed by the 2nd Stage wiper plug. (This is done to open the DV tool and establish circulation.) Once circulation is established, circulation will continue at approximately 1 bpm for 4 hours while waiting on cement (WOC). WOC at a minimum of 4 hours before beginning 2nd stage cement job. After the 2nd Stage has been pumped, a top wiper plug will be dropped and displaced with water (or water spacer and mud). Shut in well and WOC.

The 5 ½" production casing will be set with approximately 110 sacks of Standard Cement, 10% Cal Seal 60 (accelerator), 1% Calcium Chloride (accelerator), ¼ lbm/sk Flocele (lost circulation additive) with a yield of 1.61 ft³/sx at 14.2 ppg; calculated with an excess of 35% for the 1st Stage. For the 2nd stage, approximately 290 sx of 50/50 POZ Premium cement, 8% Bentonite (light weight additive), 10% Cal Seal 60 (accelerator), ¼ lbm/sk Flocele (lost circulation additive) with a yield of 1.98 ft³/sx at 12.5 ppg; calculated with an excess of 30% for the 2nd Stage.

The above cement volumes are approximate and are calculated under the assumption that a gauge hole will be achieved. If the cement does not return to surface, a cement bond log will be run to determine the top of cement. In the case where the cement is below the surface casing shoe, the casing will be perforated and squeeze cemented to the surface. If the cement is above the surface casing shoe, cement will be one-inched to the surface.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-400 11" hole Drill with air, will mud-up if necessary.
400-TD 7 7/8" hole Drill with air, will mud-up if necessary.
400 psi @ 1400-1600 cfm

7. The Testing, Logging and Coring Programs are as followed

400-TD Gamma Ray, Neutron Porosity, CBL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is about 1537 psi max., however due to offset production pressures may be much lower. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around June 1, 2009

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

SURFACE USE PLAN

Attached to Form 3
ConocoPhillips Company
Utah 31-1068
SW/4, NW/4, Sec.31, T14S, R9E, SLB & M
2455' FNL, 526' FWL
Carbon County, Utah

1. Existing Roads

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Approximately 600' of new access is required (Refer to Drawing L-1)

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 7%
- c. Turnouts: None
- d. Drainage design: <u>2 culverts</u> may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and power lines will follow the proposed access road.

3. Location of Existing Wells

a. Refer to Drawing L-1.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Drawing A-2 and L-1.
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

11. Surface Ownership:

a. The wellsite and access road will be constructed on lands owned by the School and Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately <u>7.4 miles east</u>.
- b. Nearest live water is the Gordon Creek located 3.8 miles North.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:l.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. Company Representative

Jean Semborski
Construction/Asset Integrity Supervisor
ConocoPhillips Company
P.O. Box 851
6825 South 5300 West
Price, Utah 84501
(435) 613-9777
(435) 820-9807

Excavation Contractor

Larry Jensen, Vice President Nelco Contractors Inc. (435) 637-3495 (435) 636-5268

Mail Approved A.P.D. To:

Donna Williams Sr. Regulatory Analyst ConocoPhillips Company P.O. Box 51810 Midland, Texas 79710

14. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by ConocoPhillips Company and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

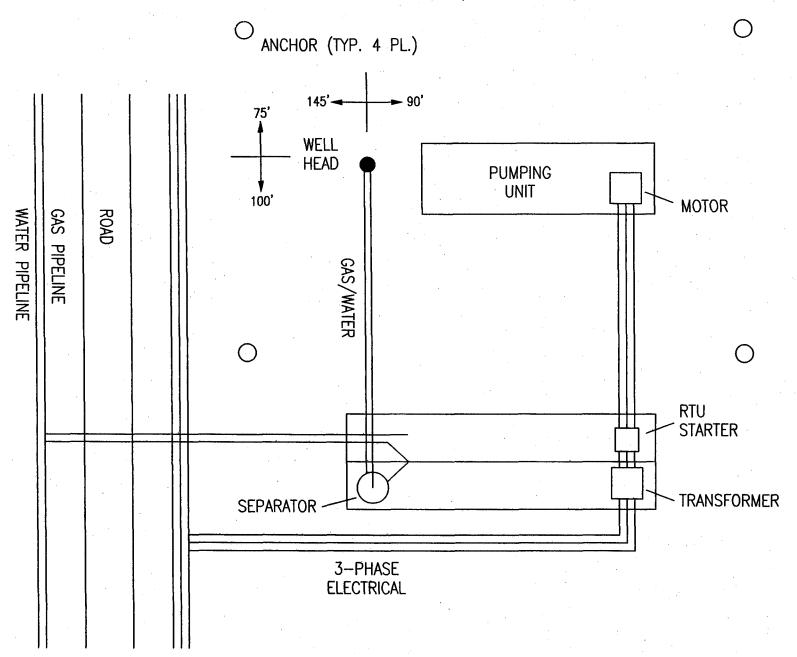
3119109

Donna Williams

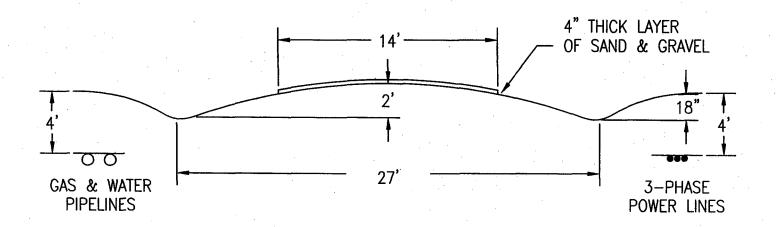
Sr. Regulatory Analyst ConocoPhillips Company

CONOCOPHILLIPS COMPANY

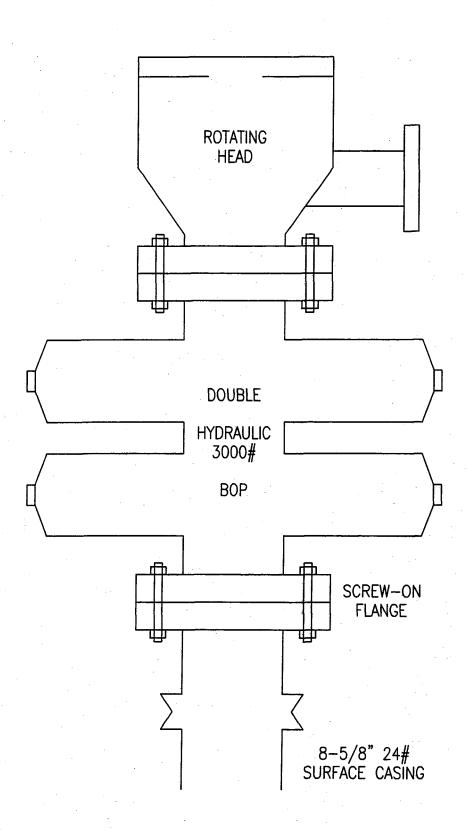
WELL SITE LAYOUT (235' x 175')



TYPICAL ROAD CROSS-SECTION CONOCOPHILLIPS COMPANY



DIVERTER HEAD CONOCOPHILLIPS COMPANY



CONOCOPHILLIPS COMPANY

(1) 2" 5M FLANGED CHOKE

(2) 2" 5M GATE VALVE (FLANGED)

(3) 2" 5M STUDDED CROSS

(4) 2" 5M GATE VALVE (FLANGED)

(5) 2" 5M FLANGED CHOKE

(6) 2" 5M GATE VALVE (FLANGED)

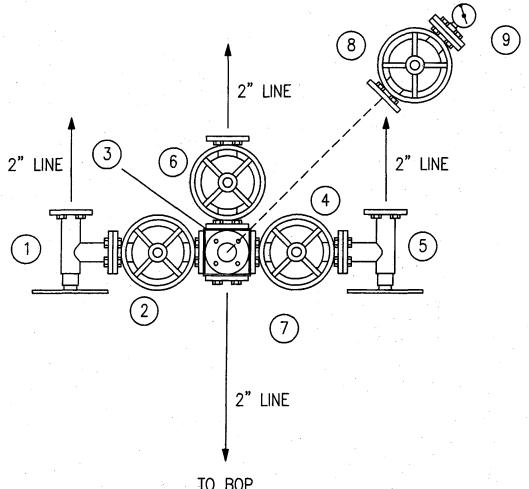
(7) 2" LINE

(8) 2" 5M GATE VALVE (FLANGED)

(9) 3000# GAUGE

NOTE:

NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP AND A NEW 2" BALL VALVE FULL OPEN 5000 PSI

MANIFOLD

EXHIBIT H

FORM 4A

STATE OF UTAH

	PARTMENT OF NATURA ISION OF OIL, GAS		
	SURETY BO	ND	
KNOW ALL MEN BY THESE PRESENTS:			
That we (operator name) CONOCOPHILLIPS and	COMPANY	***************************************	as Principal,
(surety name) <u>SAFECO INSURANCE COMPANY</u> and qualified to do business in the State of Utah, a	OF AMERICA re held and firmly bound u	as Suret	y, duly authorized
EIGHTY THOUSAND AND NO/100***** lawful money of the United States, payable to the Denefit of the State of Utah for the faithful payment severally by these presents	prector of the Division of O	**************************************	h, for the use and
THE CONDITION OF THIS OBLIGATION IS SUCI repairing, operating, and plugging and abandonmer oil or gas production and/or the injection and dispo	nt of a well or wells and res	toning the well site or sites in the State of Utah fo	or the purposes of
X Blanket Bond To cover all	wells dnlled in the State of	Utah	
			
Section:	Township:	Range:	
NOW, THEREFORE, if the above bounden Principal requirements of the Board of Oil, Gas and Mining of and well site restoration, then this obligation is voice.	the State of Utah, includin	g, but not limited to the proper plugging and aba	
IN TESTIMONY WHEREOF, said Principal has her officers and its corporate or notary seal to be affixed		and has caused this Instrument to be signed by	its duly authorized
30th day of Dec	20 02.		
(Corporate or Notary Seal here)	CONDCO	HILLIPS COMPANY Principal (company name)	
	By Janes (print)		Insurance nanager
Attestee: 6 25 A Date: 12 30	02	Signature	·
IN TESTIMONY WHEREOF, said Surety has caus to be affixed this	ed this instrument to be sig	ned by its duly authonzed officers and its corpo	orate or notary seal
1ST day of JANUARY	, 20 <u>03</u> .		
	SAFECE	TNSURANGE COMPANY OF AMERICA Surety Company (Attach Power of Attorney)	
(Corporate or Notary Seal here)	By TINA MARIE I Name (print)		

Caroly L. Wheeler
Date: 12/20/2002 CAROLYN E. WHEELER
NOTARY PUBLIC
MY COMMISSION EXPIRES: NOVEMBER 1, 2006 (5/2002)

Surety Mailing Address

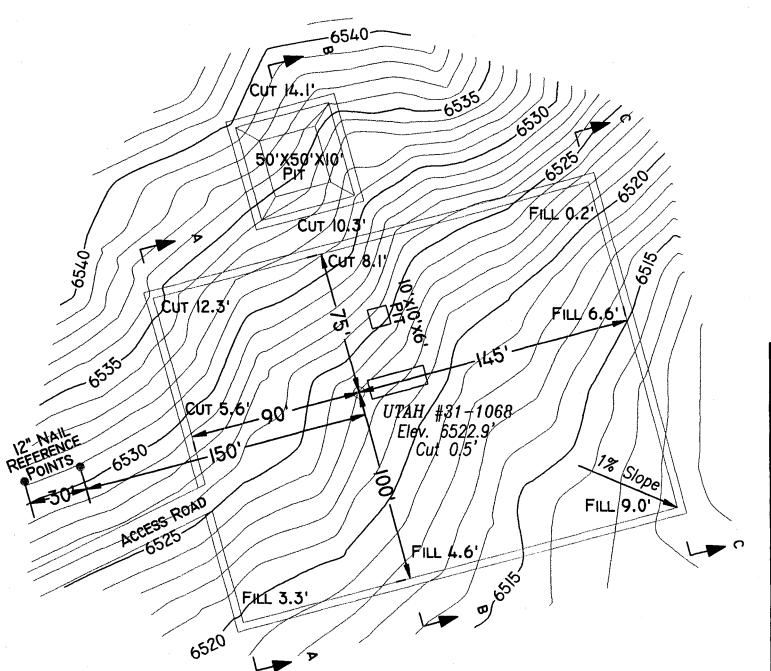
CYO MARSH USA INC.

P.O. BOXESTOTE, KNOWNIEE, City

Signature

TN 37930=6012 State Ζıρ

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6522.9'
ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6522.4'







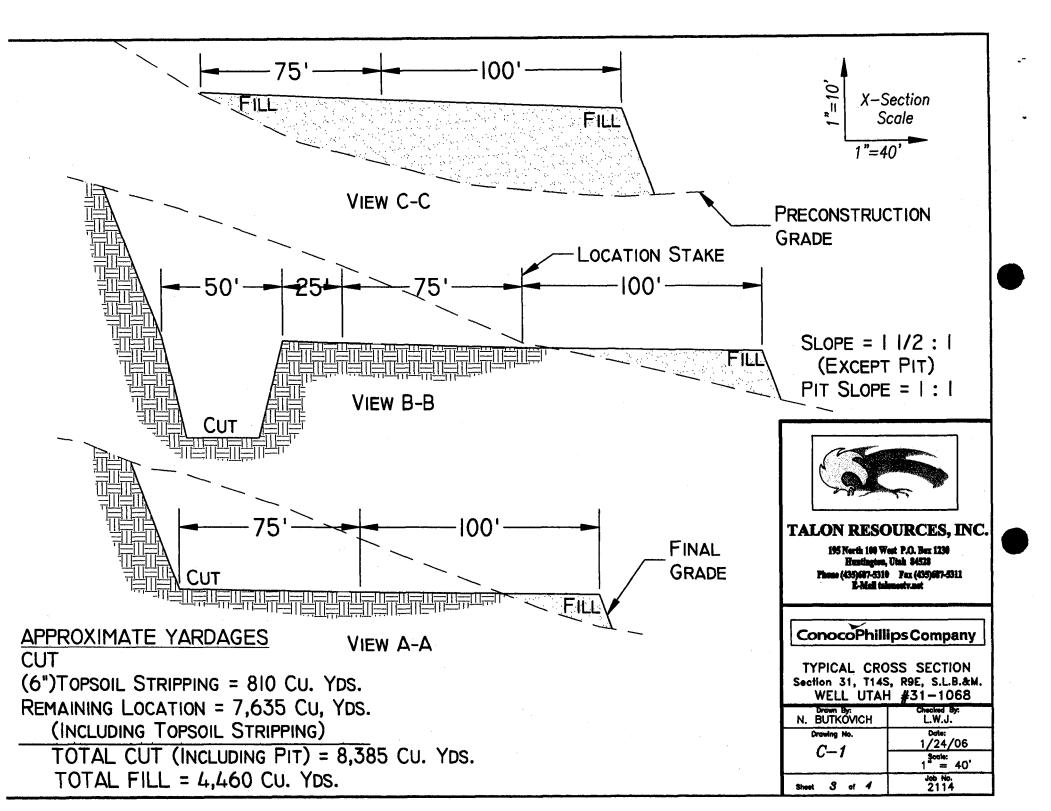
TALON RESOURCES, INC.

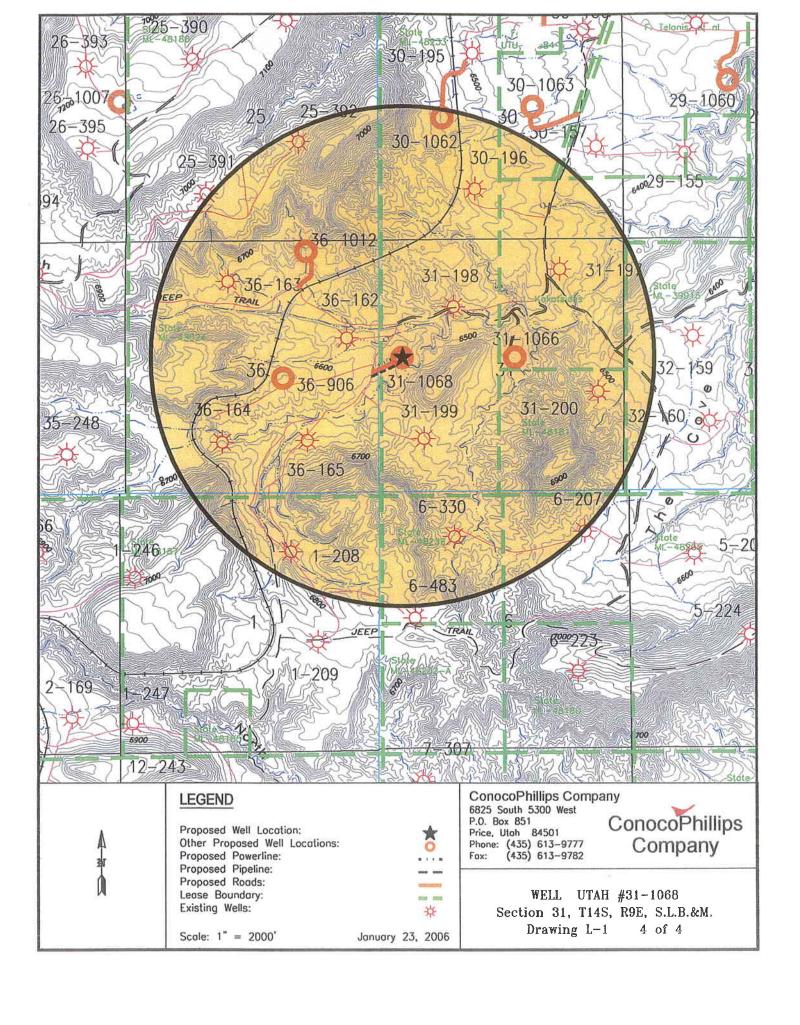
195 North 100 West P.O. Bex 1230 Hundington, Utah 34528 Phone (435)607-5310 Fax (435)607-5311 E-Mall telementy.net

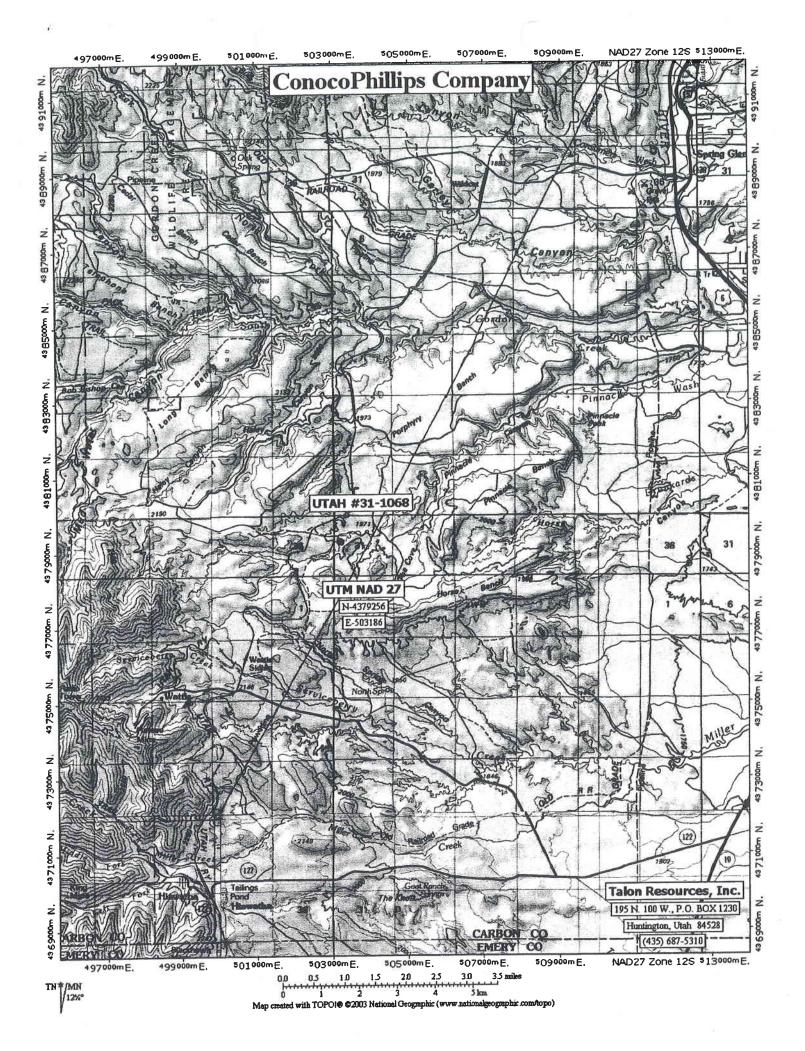
Conoco Phillips Company

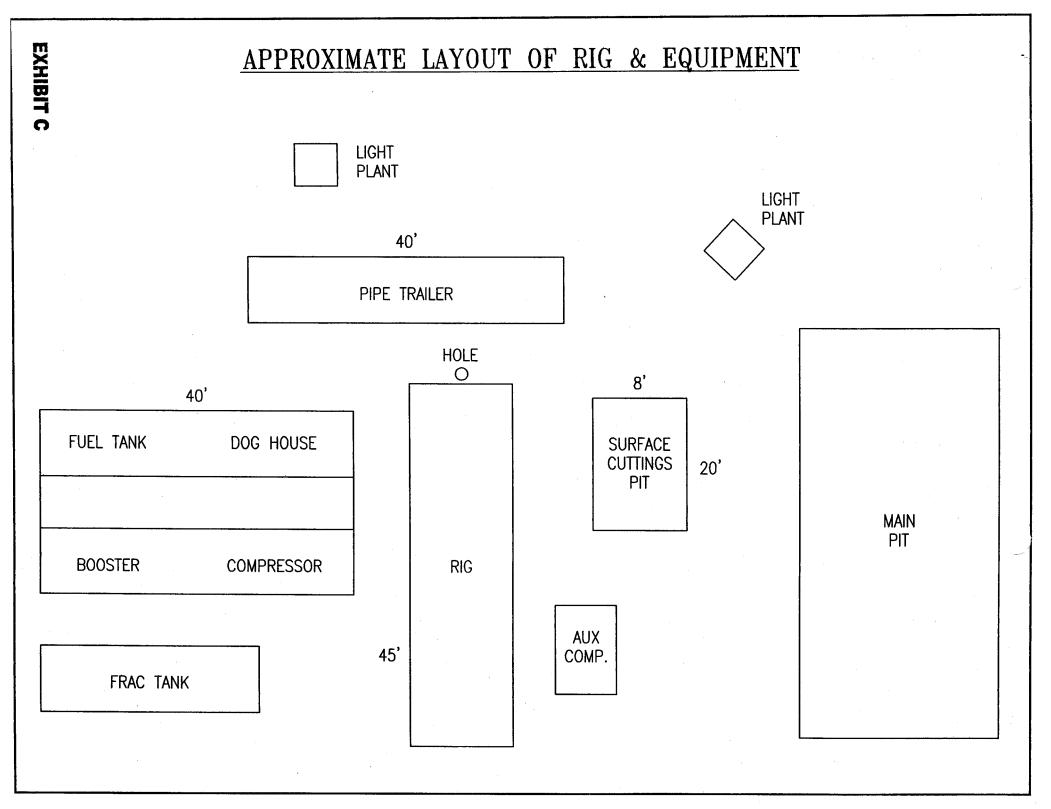
LOCATION LAYOUT Section 31, T14S, R9E, S.L.B.&M. WELL UTAH #31-1068

N. BUTKOVICH	Checked By: L.W.J.			
Drawing No.	Date: 1/24/06			
A-2	Scale: 1" = 50'			
Sheet & of 4	Job No. 2114			









WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/23/2009		API NO. ASSIG	GNED: 43-00	7-31486	
WELL NAME: UTAH 31 ₹068					
OPERATOR: CONOCOPHILLIPS COMPANY (N2335) PF	HONE NUMBER:	432-688-694	3	
CONTACT: DONNA WILLIAMS	-				
PROPOSED LOCATION:	II	NSPECT LOCATN	BY: /	/	
SWNW 31 140S 090E SURFACE: 2455 FNL 0526 FWL	T	ech Review	Initials	Date	
BOTTOM: 2455 FNL 0526 FWL	E	ngineering	DKD	4/15/09	
COUNTY: CARBON	G	eology		- 1/10//	
LATITUDE: 39.56495 LONGITUDE: -110.96281 UTM SURF EASTINGS: 503195 NORTHINGS: 4379	264 S	urface			
FIELD NAME: DRUNKARDS WASH (48)				
LEASE TYPE: 3 - State LEASE NUMBER: ML-48233 SURFACE OWNER: 3 - State		ROPOSED FORMA: DALBED METHANI			
Plat Bond: Fed[] Ind[] Sta[] Fee[] (No	LOCATION AND SITING: R649-2-3. Unit: DRUNKARDS WASH OF THE SITING: R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: 243-2 Eff Date: 7-13-1749 Siting: 460' F ubdry f uncomm. Thus R649-3-11. Directional Drill				
COMMENTS: New Yre	sil (Recá	3-14-04)			
STIPULATIONS: 1- THE OPER THE CONDITION THE ORIGINAL	S OF 4	APPROVAL	FROM		



API Number: 4300731486

Well Name: UTAH 31-068

Township 14.0 S Range 09.0 E Section 31

Meridian: SLBM

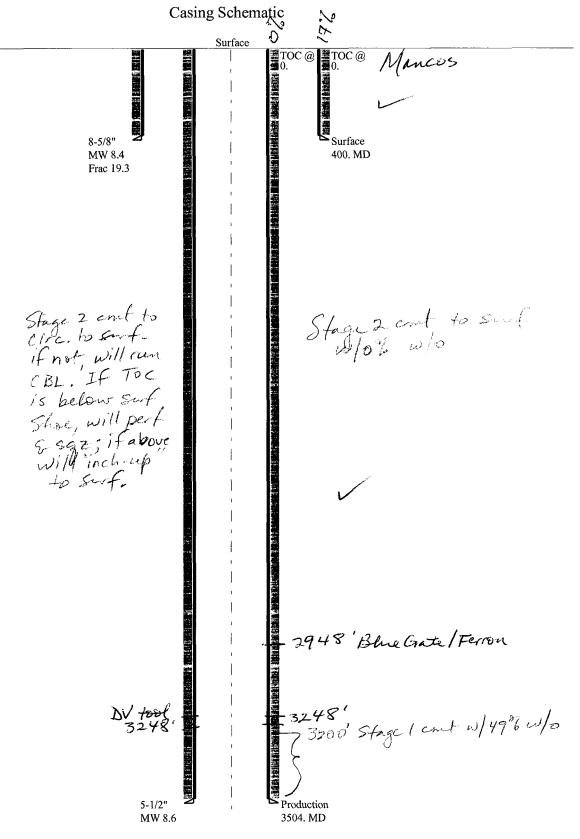
Operator: CONOCOPHILLIPS COMPANY

Map Prepared: Map Produced by Diana Mason









Well name:

43007314860000 ConocoPhillips Utah 31-1068

Operator:

ConocoPhillips

String type:

Surface

Project ID:

43-007-31486-0000

Location:

Collapse

Design parameters:

Mud weight:

Carbon County

Environment: Minimum design factors:

Collapse:

Design factor 1.125 H2S considered? Surface temperature: No 65 °F

Bottom hole temperature: Temperature gradient:

71 °F 1.40 °F/100ft

Minimum section length: 250 ft

Burst:

Design factor 1.00 Cement top:

Surface

Burst

Max anticipated surface

pressure: Internal gradient: Calculated BHP

Design is based on evacuated pipe.

352 psi 0.120 psi/ft

400 psi

No backup mud specified.

8.400 ppg

Tension:

1.80 (J) 8 Round STC: 8 Round LTC: 1.80 (J) 1.60 (J) Buttress:

> Premium: Body yield:

1.50 (J) 1.50 (B)

Tension is based on buoyed weight. 349 ft Neutral point:

Re subsequent strings:

Non-directional string.

Next setting depth: Next mud weight:

3,504 ft 8.600 ppg 1,565 psi

Next setting BHP: Fracture mud wt: Fracture depth: Injection pressure:

19.250 ppg 400 ft 400 psi

Nominal End True Vert Measured Drift Internal Run Segment Length Weight Grade **Finish** Depth Depth Diameter Capacity Seq Size (ft) (in) (lbs/ft) (ft) (ft) (in) (ft3) 143 400 24.00 ST&C 400 400 7.972 1 8.625 J-55 **Tension** Tension **Burst Burst Tension** Run Collapse Collapse Collapse **Burst** Strength Design Load Strength Design Strength Design Load Seq Load **Factor** (Kips) (Kips) **Factor** (psi) **Factor** (psi) (psi) (psi) 7.851 400 2950 7.38 244 29.09 J 1 175 1370 8

Prepared

by:

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801-538-5357 FAX: 810-359-3940

Date: March 26,2009 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 400 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

43007314860000 ConocoPhillips Utah 31-1068

Operator:

ConocoPhillips

String type:

Production

Project ID:

43-007-31486-0000

Location:

Carbon County

Design parameters:

Collapse

Mud weight:

8.600 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

1.125

Environment:

H2S considered? Surface temperature:

Non-directional string.

No 65 °F

Bottom hole temperature: 114 °F 1.40 °F/100ft Temperature gradient:

Minimum section length: 1,500 ft

Burst:

Design factor

1.00

Cement top:

Surface

Burst

Max anticipated surface

pressure: Internal gradient: 1,145 psi 0.120 psi/ft

Calculated BHP

1,565 psi

No backup mud specified.

Tension:

8 Round LTC:

Buttress: Premium:

Body yield:

8 Round STC: 1.80 (J)

1.80 (J) 1.60 (J)

1.50 (J) 1.50 (B)

Tension is based on buoyed weight.

Neutral point:

3,047 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3504	5.5	17.00	N-80	LT&C	3504	3504	4.767	457.3
Run Seq	Collapse Load (psi) 1565	Collapse Strength (psi) 6290	Collapse Design Factor 4.018	Burst Load (psi) 1565	Burst Strength (psi) 7740	Burst Design Factor 4.94	Tension Load (Kips) 52	Tension Strength (Kips) 348	Tension Design Factor 6.72 J

Prepared

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801-538-5357 FAX: 810-359-3940

Date: March 26,2009 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3504 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

BOPE REVIEW

ConocoPhillips Utah 31-1068 API 43-007-31486-0000

INPUT						
Well Name	ConocoPhillips Utah 31-1068 API 43-007-31486-0000					
	String 1	String 2				
Casing Size (")	8 5/8	5 1/2				
Setting Depth (TVD)	400	3504				
Previous Shoe Setting Depth (TVD)	40.5	400				
Max Mud Weight (ppg)	8.4	8.6				
BOPE Proposed (psi)	0	3000				
Casing Internal Yield (psi)	2950	7740				
Operators Max Anticipated Pressure (psi)	1537	8.4	ppg 🗸			

Calculations	String 1	8 5/8		
Max BHP [psi]	.052*Setting Depth*MW =	175		
			BOPE Adequat	e For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	127	NO	Air drill
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	87	NO	
			*Can Full Expe	cted Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth) =	96	NO	Resonable Depth
Required Casing/BOPE Test		400		
Max Pressure Allowed @ Previous Casing Shoe =		41	psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	5 1/2	10	
Max BHP [psi]	.052*Setting Depth*MW =	1567	1	
			BOPE Adeq	uate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	1147	YES	
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	796	YES	Air drill w/rotating head
			*Can Full Ex	pected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe Ma	x BHP22*(Setting Depth - Previous Shoe Depth) =	884	✓ NO	O.R.
Required Casing/BOPE Test Pres	ssure	3000		
Max Pressure Allowed @ Previous Casing Shoe =		400	psi)	*Assumes 1psi/ft frac gradient
				

From:

Ed Bonner

To:

Mason, Diana 3/30/2009 7:24 AM

Date: Subject:

Re: Fwd: ConocoPhillips APDs

CC:

Hill, Brad Thats fine. Weve got no problem here

>>> Diana Mason 3/25/2009 6:42 AM >>>

Will these need a wells clearance?

ConocoPhillips	43-007-31486	Utah 31-1068
ConocoPhillips	43-007-31487	Utah 33-1074
ConocoPhillips	43-007-31488	Utah 11-1159
ConocoPhillips	43-007-31489	Utah 11-1157
ConocoPhillips	43-007-31490	Utah 13-1169
ConocoPhillips	43-007-31491	Utah 18-1179
ConocoPhillips	43-007-31492	Utah 19-1181
ConocoPhillips	43-007-31493	Utah 26-1197
ConocoPhillips	43-007-31494	Utah 6-1228
ConocoPhillips	43-007-31495	Utah 02-1264

>>> Brad Hill 3/24/2009 5:22 PM >>>

I guess we'll skip the onsites on these.

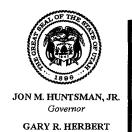
>>> Mark Jones 3/24/2009 4:55 PM >>>

I've looked these over. As you mentioned they are re-submittals. The locations are already built from the previous permit we issued. I've looked at the paperwork and no changes seem to have been made to the location layouts. I see no reason to do onsites on these. Most of these I have been to since the first of the year doing routine inspections for anyway and there have been no issues.

Mark L. Jones Utah DOGM

>>> Brad Hill 3/23/2009 3:08 PM >>>

Would you take a look at these and give me your opinion on whether or not we should do a new onsite. These are all resubmittals.



Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

April 15, 2009

ConocoPhillips Company P O Box 51810 Midland, TX 79710

Re:

Utah 31-1068 Well, 2455' FNL, 526' FWL, SW NW, Sec. 31, T. 14 South, R. 9 East,

Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31486.

Sincerely,

Gil Hunt

Associate Director

pab **Enclosures**

cc:

Carbon County Assessor

SITLA

Bureau of Land Management, Price Field Office



Operator:	ConocoPhillips Company	
Well Name & Number	Utah 31-1068	
API Number:	43-007-31486	
Lease:	ML 48233	

Location: SW NW

Sec. 31

T. 14 South

R. 9 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

• Dan Jarvis at:

(801) 538-5338 office

(801) 942-0871 home

• Carol Daniels at:

(801) 538-5284 office

• Dustin Doucet at:

(801) 538-5281 office

(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Page 2 43-007-31486 April 15, 2009

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. The Operator shall comply with the Conditions of Approval from the original on-site review.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		5.LEASE DESIGNATION AND SERIAL NUMBER: ML-48233	
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Usi		7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: UTAH 31-1068	
2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY			9. API NUMBER: 43007314860000
3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810 432 688-6927 Ext			9. FIELD and POOL or WILDCAT: DRUNKARDS WASH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2455 FNL 0526 FWL		COUNTY: CARBON	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 31 Township: 14.0S Range: 09.0E Meridian: S		5	STATE: UTAH
11.	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
✓ NOTICE OF INTENT	ACIDIZE [ALTER CASING	☐ CASING REPAIR
Approximate date work will start: 4/12/2010	☐ CHANGE TO PREVIOUS PLANS ☐ CHANGE WELL STATUS	CHANGE TUBING COMMINGLE PRODUCING FORMATIONS	☐ CHANGE WELL NAME ☐ CONVERT WELL TYPE
	DEEPEN [FRACTURE TREAT	NEW CONSTRUCTION
SUBSEQUENT REPORT Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date.	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
	MPLETED OPERATIONS. Clearly show all perti any respectfully request to ext to Drill for an additional yea	end the approved Permit r.	Approved by the Utah Division of Oil, Gas and Mining ate: May 03, 2010 y:
NAME (PLEASE PRINT) Donna Williams	PHONE NUMBER 432 688-6943	TITLE	
SIGNATURE N/A		DATE 4/29/2010	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007314860000

API: 43007314860000 Well Name: UTAH 31-1068

Location: 2455 FNL 0526 FWL QTR SWNW SEC 31 TWNP 140S RNG 090E MER S

Company Permit Issued to: CONOCOPHILLIPS COMPANY

Date Original Permit Issued: 4/15/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that requ

	tion as submitted in the sion. Following is a che				ns valid and does not which should be verified	ı.
	ated on private land, ha ed? 🔵 Yes 🖲 No	s the ownership	changed, if so, h	nas the surface	agreement been	
	any wells been drilled in requirements for this lo			ll which would	affect the spacing or	
	nere been any unit or ot s proposed well? 🔘 Y		s put in place tha	t could affect t	he permitting or operati	OI
	there been any changes the proposed location?			vnership, or rig	phtof- way, which could	
• Has ti	ne approved source of w	ater for drilling	g changed? 📗 🕚	res 📵 No		
	there been any physical je in plans from what w				e which will require a	
• Is bor	nding still in place, whic	h covers this p	roposed well? 🌘	Yes 📗 No	Approved by the Utah Division of il, Gas and Mining	
	Donna Williams		4/29/2010			
Title:	Sr. Regulatory Specialist	Representing:	CONOCOPHILLIPS	COMPAN Pate:	May 03, 2010	
				P	Old his on	

Sig

By: Dodg

Sundry Number: 14270 API Well Number: 43007314860000

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		5.LEASE DESIGNATION AND SERIAL NUMBER: ML-48233
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			7.UNIT or CA AGREEMENT NAME: DRUNKARDS WASH
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: UTAH 31-1068
2. NAME OF OPERATOR: CONOCOPHILLIPS COMPANY			9. API NUMBER: 43007314860000
3. ADDRESS OF OPERATOR: P.O. Box 51810 , Midland, TX, 79710 1810 PHONE NUMBER: 432 688-6943 Ext			9. FIELD and POOL or WILDCAT: DRUNKARDS WASH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2455 FNL 0526 FWL		COUNTY: CARBON	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 31 Township: 14.0S Range: 09.0E Meridian: S		S	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPORT	, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR
✓ NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
4/11/2011	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ FRACTURE TREAT	□ NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	U TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
	OMPLETED OPERATIONS. Clearly show all pertoany respectfully request to re one additional year.	new the drilling permit fo	•
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE	
Donna Williams	432 688-6943	Sr. Regulatory Specialist	
SIGNATURE N/A		DATE 4/11/2011	

Sundry Number: 14270 API Well Number: 43007314860000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007314860000

API: 43007314860000 **Well Name:** UTAH 31-1068

Location: 2455 FNL 0526 FWL QTR SWNW SEC 31 TWNP 140S RNG 090E MER S

Company Permit Issued to: CONOCOPHILLIPS COMPANY

Date Original Permit Issued: 4/15/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

 If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? 🔘 Yes 🌘 No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well?

Signature: Donna Williams Date: 4/11/2011

Title: Sr. Regulatory Specialist Representing: CONOCOPHILLIPS COMPANY



Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

Division Director

June 14, 2012

ConocoPhillips Company P.O. Box 51810 Midland, TX 79710-1810

Re:

APD Rescinded - UTAH 31-1068, Sec. 31, T.14S, R.9E,

Carbon County, Utah API No. 43-007-31486

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 15, 2009. On May 3, 2010 and April 14, 2011 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 14, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Environmental Scientist

Helason

cc:

Well File

SITLA, Ed Bonner

